

Stakeholder Comments Template

Submitted by	Company	Date Submitted
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Please use this template to provide written comments on the draft final proposal for the EIM Governance posted on June 22, 2015.

[Please submit comments to EIM@caiso.com](mailto:EIM@caiso.com) by close of business July 9, 2015

The draft final proposal is available on the ISO website at:

http://www.caiso.com/Documents/Briefing_Governance_Proposal-DraftFinalProposal-June2015.pdf

The slides presented during the June 25, 2015 EIM Transitional Committee meeting are available at:

http://www.caiso.com/Documents/Briefing_GovernanceProposal-Presentation-Jun2015.pdf

The EIM Transitional Committee welcomes and appreciates stakeholder feedback related to the draft final proposal for the EIM Governance Development initiative.

Please use the following template to comment on the key topics addressed in the proposal. Organizing your submission around the different sections of the EIM governance proposal will assist the Committee in its review of the comments.

1. Basics of the EIM governing body

Comment:

2. Selecting members of the EIM governing body (including the selection process and composition of the nominating committee)
Comment:
3. Scope of authority (including the proposed process for resolving disputes about which body has primary authority over a particular policy initiative)
Comment:
4. Composition and role of the advisory body of state regulators (including leaving development of their role and relationship with the ISO to the regulators themselves)
Comment:
5. Regional Advisory Committee (including what issues the proposed committee should address and whether it would provide a productive forum for discussion of the issues and/or would enhance the ISO's existing stakeholder process)
Comment:
6. Commitment to re-evaluate governance
Comment: City Light respectfully submits that the announcement that PacifiCorp (Pac) and CAISO are considering Pac as a Participating Transmission Owner (PTO) is a sufficient event to justify re-evaluating all aspects of CAISO's governance now. Extending CAISO's footprint beyond its historic extent is a threshold event that requires a threshold review. This includes the EIM governance and all aspects of CAISO that affect the Western regional electrical energy market.
7. Miscellaneous items.
Comment: A market must be a neutral place for buyers and sellers to transact to find the efficient outcome. Market rules and operations should serve to provide information and accountability. Rules and operations should not favor any particular party. CAISO's mandate includes a directive to ensure that California's citizens and

businesses achieve the economic benefits of industry restructuring. This creates a tension between CAISO's fiduciary duty to the citizens of its state and its duty to potential participants in its market offerings that must be resolved.

For these reasons, the current CAISO governance proposal is inadequate. In order for the Western Interconnect to enjoy the benefits of an efficient regional market, buyers and sellers should be able to transact in a neutral marketplace. Seattle City Light requests that CAISO reconsider all aspects of governance.